

2005

Department of the Treasury
Internal Revenue ServiceFor calendar year 2005 or tax year beginning _____, 2005, ending _____, 20_____
▶ See separate instructions.**A** Check applicable box if an election has been made under section(s):1 ☐ 953(c)(3)(C)2 ☐ 953(d)

Please type or print

Name

Number, street, and room or suite no. If a P.O. box, see instructions.

City or town, state, and ZIP code

B Employer identification number**C** Date incorporated**D** Check if a consolidated return (attach Form 851) ☐**E** Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

Tax Computation and Payments

- 1 Taxable income (Schedule A, line 37) (See instructions if Schedule C, line 10, was completed.) . . .
- 2 Taxable investment income for electing small companies (Schedule B, line 21) . . .
- 3 Check if a member of a controlled group (see sections 1561 and 1563) . . . ☐

Important: Members of a controlled group, see instructions.

a If the box on line 3 is checked, enter the corporation's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ (2) \$ (3) \$

b Enter the corporation's share of: (1) additional 5% tax (not to exceed \$11,750) \$

(2) additional 3% tax (not to exceed \$100,000) \$

- 4 Income tax . . .
- 5 Enter amount of tax that a reciprocal must include . . .
- 6 Alternative minimum tax (attach Form 4626) . . .
- 7 **Total.** Add lines 4 through 6 . . .

8a Foreign tax credit (attach Form 1118) . . .

b Specified credits (see instructions) . . .

c General business credit. Check box(es) and indicate which forms are attached:

☐ Form 3800 ☐ Form(s) (specify) ▶

d Credit for prior year minimum tax (attach Form 8827) . . .

e Bond credits from: ☐ Form 8860 ☐ Form 8912 . . .f **Total credits.** Add lines 8a through 8e . . .

- 9 Subtract line 8f from line 7 . . .
- 10 Foreign corporations—Tax on income not connected with U.S. business . . .
- 11 Personal holding company tax (attach Schedule PH (Form 1120)) . . .
- 12 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Other (attach schedule) . . .
- 13 **Total tax.** Add lines 9 through 12 . . .

14 **Payments:** a 2004 overpayment credited to 2005 . . .

b Prior year(s) special estimated tax payments to be applied . . .

c 2005 estimated tax payments (see instructions) . . .

d 2005 special estimated tax payments (Do not include on line 14f) . . .

e Less 2005 refund applied for on Form 4466 14e ()

f Enter the total of lines 14a through 14c less line 14e . . .

g Tax deposited with Form 7004 . . .

h Credit by reciprocal for tax paid by attorney-in-fact under section 835(d) . . .

i Other credits and payments . . .

- 15 Estimated tax penalty (see instructions). Check if Form 2220 is attached . . . ☐
- 16 **Tax due.** If line 14j is smaller than the total of lines 13 and 15, enter amount owed . . .
- 17 **Overpayment.** If line 14j is larger than the total of lines 13 and 15, enter amount overpaid . . .
- 18 Enter amount of line 17 you want: **Credited to 2006 estimated tax** ▶ **Refunded** ▶

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No**Paid Preparer's Use Only**

Preparer's signature

Date

Check if self-employed ☐

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

EIN

Phone no. ()

Schedule A Taxable Income—Section 832 (see instructions)

Income	1	Premiums earned (Schedule E, line 7)	1			
	2	Dividends (Schedule C, line 15)	2			
			(a) Interest received	(b) Amortization of premium		
	3a	Gross interest				
	b	Interest exempt under section 103				
	c	Subtract line 3b from line 3a				
	d	Taxable interest. Subtract line 3c, column (b) from line 3c, column (a)	3d			
	4	Gross rents	4			
	5	Gross royalties	5			
	6	Capital gain net income (attach Schedule D (Form 1120))	6			
	7	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	7			
	8	Certain mutual fire or flood insurance company premiums (section 832(b)(1)(D))	8			
	9	Income on account of special income and deduction accounts	9			
	10	Income from protection against loss account (see instructions)	10			
Deductions (See instructions for limitations on deductions.)	11	Mutual interinsurers or reciprocal underwriters—decrease in subscriber accounts	11			
	12	Income from a special loss discount account (attach Form 8816)	12			
	13	Other income (attach schedule)	13			
	14	Gross income. Add lines 1 through 13	14			
	15	Compensation of officers (attach schedule) (see instructions)	15			
	16	Salaries and wages (less employment credits)	16			
	17	Agency balances and bills receivable that became worthless during the tax year	17			
	18	Rents	18			
	19	Taxes and licenses	19			
	20a	Interest ▶	b Less tax-exempt interest exp. ▶	c Bal. ▶	20c	
	21	Charitable contributions (see instructions for 10% limitation)	21			
	22	Depreciation (attach Form 4562)	22			
	23	Depletion	23			
	24	Pension, profit-sharing, etc., plans	24			
	25	Employee benefit programs	25			
	26	Losses incurred (Schedule F, line 14)	26			
	27	Additional deduction (attach Form 8816)	27			
	28	Other capital losses (Schedule G, line 12, column (g))	28			
	29	Dividends to policyholders	29			
	30	Mutual interinsurers or reciprocal underwriters—increase in subscriber accounts	30			
	31	Other deductions (see instructions) (attach schedule)	31			
	32	Total deductions. Add lines 15 through 31	32			
	33	Subtotal. Subtract line 32 from line 14	33			
	34a	Special deduction for section 833 organizations (Schedule H, line 6)	34a			
b	Deduction on account of special income and deduction accounts	34b				
c	Total. Add lines 34a and 34b	34c				
35	Subtotal. Subtract line 34c from line 33	35				
36a	Dividends-received deduction (Schedule C, line 27)	36a				
b	Net operating loss deduction	36b				
c	Total. Add lines 36a and 36b	36c				
37	Taxable income (subtract line 36c from line 35). Enter here and on page 1, line 1	37				

Schedule B Part I—Taxable Investment Income of Electing Small Companies—Section 834 (see instructions)

		(a) Interest received	(b) Amortization of premium		
Income	1a Gross interest				
	b Interest exempt under section 103				
	c Subtract line 1b from line 1a				
	d Taxable interest. Subtract line 1c, column (b) from line 1c, column (a)			1d	
	2 Dividends (Schedule C, line 15)			2	
	3 Gross rents			3	
	4 Gross royalties			4	
	5 Gross income from a trade or business, other than an insurance business, and from Form 4797			5	
	6 Income from leases described in sections 834(b)(1)(B) and 834(b)(1)(C)			6	
	7 Gain from Schedule D (Form 1120), line 14			7	
	8 Gross investment income. Add lines 1d through 7			8	
Deductions	9 Real estate taxes			9	
	10 Other real estate expenses			10	
	11 Depreciation (attach Form 4562)			11	
	12 Depletion			12	
	13 Trade or business deductions as provided in section 834(c)(8) (attach schedule)			13	
	14 Interest			14	
	15 Other capital losses (Schedule G, line 12, column (g))			15	
	16 Total. Add lines 9 through 15			16	
	17 Investment expenses (attach schedule)			17	
	18 Total deductions. Add lines 16 and 17			18	
	19 Subtract line 18 from line 8			19	
	20 Dividends-received deduction (Schedule C, line 27)			20	
21 Taxable investment income. Subtract line 20 from line 19. Enter here and on page 1, line 2			21		

Part II—Invested Assets Book Values

(Complete only if claiming a deduction for general expenses allocated to investment income.)

		(a) Beginning of tax year	(b) End of tax year
22	Real estate	22	
23	Mortgage loans	23	
24	Collateral loans	24	
25	Policy loans, including premium notes	25	
26	Bonds of domestic corporations	26	
27	Stock of domestic corporations	27	
28	Government obligations, etc.	28	
29	Bank deposits bearing interest	29	
30	Other interest-bearing assets (attach schedule)	30	
31	Total. Add lines 22 through 30	31	
32	Add columns (a) and (b), line 31		32
33	Mean of invested assets for the tax year. Enter one-half of line 32		33
34	Multiply line 33 by .0025		34
35	Income base. Line 1b, column (a) plus line 8 less the sum of line 1b, column (b) and line 16	35	
36	Multiply line 33 by .0375	36	
37	Subtract line 36 from line 35. Do not enter less than zero	37	
38	Multiply line 37 by .25		38
39	Limitation on deduction for investment expenses. Add lines 34 and 38		39

Schedule C Dividends and Special Deductions (see instructions)		Dividends-Received	
		(a) Subject to section 832(b)(5)(B)	(b) Total dividends-received
Income			
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	1	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	2	
3	Dividends on debt-financed stock of domestic and foreign corporations	3	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities . .	4	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities . . .	5	
6	Dividends on stock of certain less-than-20%-owned foreign corporations and certain FSCs	6	
7	Dividends on stock of certain 20%-or-more-owned foreign corporations and certain FSCs	7	
8	Dividends from wholly owned foreign subsidiaries and certain FSCs	8	
9	Dividends from affiliated companies	9	
10	Dividends from controlled foreign corporations subject to the 85% deduction (attach Form 8895)	10	
11	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 10 .	11	
12	Income from controlled foreign corporations under subpart F (attach Forms 5471) .	12	
13	Foreign dividend gross-up (section 78)	13	
14	Other dividends (attach schedule)	14	
15	Total dividends. Add lines 1 through 14. Enter here and on Schedule A, line 2, or Schedule B, line 2, whichever applies	15	
Deduction		Dividends-Received Deduction	
		(a) Subject to section 832(b)(5)(B)	(b) Total dividends-received deduction
16	Multiply line 1 by 70%	16	
17	Multiply line 2 by 80%	17	
18	Deduction for line 3 (see instructions)	18	
19	Multiply line 4 by 42%	19	
20	Multiply line 5 by 48%	20	
21	Multiply line 6 by 70%	21	
22	Multiply line 7 by 80%	22	
23	Enter the amount from line 8	23	
24	Multiply line 10 by 85%	24	
25	Total. Add lines 16 through 24. (See instructions for limitation.)	25	
26	Total. Add line 25, column (a), and line 9, column (a). Enter here and on Schedule F, line 10	26	
27	Total deductions. Add line 25, column (b), and line 9, column (b). Enter here and on Schedule A, line 36a, or Schedule B, line 20, whichever applies	27	

Schedule E Premiums Earned—Section 832 (see instructions)

1	Net premiums written	1		
2	Unearned premiums on outstanding business at the end of the preceding tax year:			
a	Enter 100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	2a		
b	Enter 90% of unearned premiums attributable to insuring certain securities	2b		
c	Discounted unearned premiums attributable to title insurance	2c		
d	Enter 80% of all other unearned premiums	2d		
e	Total. Add lines 2a through 2d	2e		
3	Total. Add lines 1 and 2e	3		
4	Unearned premiums on outstanding business at the end of the current tax year:			
a	Enter 100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	4a		
b	Enter 90% of unearned premiums attributable to insuring certain securities	4b		
c	Discounted unearned premiums attributable to title insurance	4c		
d	Enter 80% of all other unearned premiums	4d		
e	Total. Add lines 4a through 4d	4e		
5	Subtract line 4e from line 3	5		
6	Transitional adjustments under section 832(b)(7)(D) (see instructions)	6		
7	Premiums earned. Add lines 5 and 6. Enter here and on Schedule A, line 1	7		

Schedule F Losses Incurred—Section 832 (see instructions)

1	Losses paid during the tax year (attach schedule)	1		
2	Balance outstanding at the end of the current tax year for:			
a	Unpaid losses on life insurance contracts	2a		
b	Discounted unpaid losses	2b		
c	Total. Add lines 2a and 2b	2c		
3	Add lines 1 and 2c	3		
4	Balance outstanding at the end of the preceding tax year for:			
a	Unpaid losses on life insurance contracts	4a		
b	Discounted unpaid losses	4b		
c	Total. Add lines 4a and 4b	4c		
5	Subtract line 4c from line 3	5		
6	Estimated salvage and reinsurance recoverable at the end of the preceding tax year	6		
7	Estimated salvage and reinsurance recoverable at the end of the current tax year	7		
8	Losses incurred (line 5 plus line 6 less line 7)	8		
9	Tax-exempt interest subject to section 832(b)(5)(B)	9		
10	Dividends-received deduction subject to section 832(b)(5)(B) (Schedule C, line 26)	10		
11	The increase in policy cash value of section 264(f) policies as defined in section 805(a)(4)(F)	11		
12	Total. Add lines 9, 10, and 11	12		
13	Reduction of deduction under section 832(b)(5)(B). Multiply line 12 by .15	13		
14	Losses incurred deductible under section 832(c)(4). Subtract line 13 from line 8. Enter here and on Schedule A, line 26	14		

Schedule G Other Capital Losses (see instructions)**(Capital assets sold or exchanged to meet abnormal insurance losses and to pay dividends and similar distributions to policyholders.)**

1	Dividends and similar distributions paid to policyholders	1		
2	Losses paid	2		
3	Expenses paid	3		
4	Total. Add lines 1, 2, and 3	4		
Note. Adjust lines 5 through 8 to cash method if necessary.				
5	Interest received	5		
6	Dividends-received (Schedule C, line 15)	6		
7	Gross rents, gross royalties, lease income, etc., and gross income from a trade or business other than an insurance business including income from Form 4797 (include gains for invested assets only)	7		
8	Net premiums received	8		
9	Total. Add lines 5 through 8	9		
10	Limitation on gross receipts from sales of capital assets. Line 4 less line 9. If zero or less, enter -0-	10		

(a) Description of capital asset	(b) Date acquired	(c) Gross sales price	(d) Cost or other basis	(e) Expense of sale	(f) Depreciation allowed (or allowable)	(g) Loss ((d) plus (e) less the sum of (c) and (f))
11						
12	Totals—column (c) must not be more than line 10. (Enter amount from column (g) in Schedule A, line 28, or Schedule B, line 15, whichever applies)					

Schedule H Special Deduction And Ending Adjusted Surplus for Section 833 Organizations (see instructions)

1	Health care claims incurred during the tax year and liabilities incurred during the tax year under cost-plus contracts	1		
2	Expenses incurred during the tax year in connection with the administration, adjustment, or settlement of health care claims or in connection with the administration of cost-plus contracts	2		
3	Total. Add lines 1 and 2	3		
4	Multiply line 3 by .25	4		
5	Beginning adjusted surplus	5		
6	Special deduction. Subtract line 5 from line 4. If zero or less, enter -0-. Enter here and on Schedule A, line 34a. (See instructions for limitation.)	6		
7	Net operating loss deduction (Schedule A, line 36b)	7		
8	Net exempt income:			
a	Adjusted tax-exempt income	8a		
b	Adjusted dividends-received deduction	8b		
9	Taxable income (Schedule A, line 37)	9		
10	Ending adjusted surplus. Add lines 5 through 9	10		

Schedule I Other Information (see instructions)

	Yes	No		Yes	No
1 Check method of accounting:			(c) The corporation may have to file Form 5472 , Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached ▶		
a <input type="checkbox"/> Cash					
b <input type="checkbox"/> Accrual					
c <input type="checkbox"/> Other (specify) ▶					
2 Check box for kind of company:			7 Has the corporation elected to use its own payout pattern for discounting unpaid losses and unpaid loss adjustment expenses?		
a <input type="checkbox"/> Mutual					
b <input type="checkbox"/> Stock			8a Enter the total unpaid losses shown on the corporation's annual statement:		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)			(1) for the current tax year: \$		
If "Yes," attach a schedule showing:			(2) for the previous tax year: \$		
(a) name and employer identification number (EIN);			b Enter the total unpaid loss adjustment expenses shown on the corporation's annual statement:		
(b) percentage owned; and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.			(1) for the current tax year: \$		
4 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? . . .			(2) for the previous tax year: \$		
If "Yes," enter name and EIN of the parent corporation ▶			9 Does the corporation discount any of the loss reserves shown on its annual statement? . . .		
			10 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$		
			11 If the corporation has an NOL for the tax year and is electing to forgo the carryback period, check here ▶ <input type="checkbox"/>		
5 At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) .			If the corporation is filing a consolidated return, the statement required by Temporary Regulations section 1.1502-21T(b)(3)(i) or (ii) must be attached or the election will not be valid.		
If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.)			12 Enter the available NOL carryover from prior tax years. (Do not reduce it by any deduction on line 36b, Schedule A.) . . ▶ \$		
Enter percentage owned ▶					
6 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of:					
(a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes," enter:					
(a) Percentage owned ▶ and (b) Owner's country ▶					

Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach **Schedule N (Form 1120)**, Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Schedule L Balance Sheets per Books (All filers are required to complete this schedule.)

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts	()		()	
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)				
10a Buildings and other depreciable assets				
b Less accumulated depreciation	()		()	
11a Depletable assets				
b Less accumulated depletion	()		()	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	()		()	
14 Other assets (attach schedule)				
15 Total assets				
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Insurance liabilities (see instructions)				
19 Other current liabilities (attach schedule)				
20 Loans from shareholders				
21 Mortgages, notes, bonds payable in 1 year or more				
22 Other liabilities (attach schedule)				
23 Capital stock: a Preferred stock				
b Common stock				
24 Additional paid-in capital				
25 Retained earnings—Appropriated (attach schedule)				
26 Retained earnings—Unappropriated				
27 Adjustments to shareholders' equity (attach schedule)				
28 Less cost of treasury stock	()		()	
29 Total liabilities and shareholders' equity				

Schedule M-1 Reconciliation of Income (Loss) per Books with Income per Return (see instructions)

(The corporation is not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

1 Net income (loss) per books		7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax per books		a Tax-exempt interest \$	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize)		8 Deductions in this tax return not charged against book income this year (itemize)	
5 Expenses recorded on books this year not deducted in this return (itemize)		a Depreciation \$	
a Depreciation \$		b Charitable contributions \$	
b Charitable contributions \$			
c Travel and entertainment \$		9 Add lines 7 and 8	
		10 Income (Schedule A, line 35)—line 6 less line 9	
6 Add lines 1 through 5			

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (line 26, Schedule L)

1 Balance at beginning of year		5 Distributions: a Cash	
2 Net income (loss) per books		b Stock	
3 Other increases (itemize)		c Property	
		6 Other decreases (itemize)	
		7 Add lines 5 and 6	
4 Add lines 1, 2, and 3		8 Balance at end of year (line 4 less line 7)	

